Exhibit 3 March 17, 2015, PC Meeting



To: Bryan Beel, Chair

Planning Commission

From: Staff

Date: March 17, 2015

MEMORANDUM

The City received responses to the proposed revisions to the MXPD Overlay. This memorandum will address a few of the comments raised and provide clarification as necessary. *Lugliani Investments was aware that the City was proposing to bring forward amendments to this Chapter dating back to January 28, 2015 and was asked for input.*

The proposed changes to Chapter 18.22 MXPD are at the direction of City Council. City Council adopted the 2014 Comprehensive Plan amendments on December 15, 2014, and one of the decisions included, "Development of a mixed use development standards, which could be applied to commercially designated properties". The proposed amendments are consistent with this directive.

Written comments to date include:

- Exhibit 1 Proposed amendments to the MXPD zone, which were submitted by Melanie Poe of Landerholm
- Exhibit 2 Proposed amendments to the MXPD zone, which were submitted by Lugliani Investments Co. LLC

Exhibit 1- Landerholm

The proposed amendments included clarification that the MXPD is an overlay zone. The proposed revisions also included adding the term, "Flexible Space", and a definition, which would allow a building to be developed without any uses specified.

Staff Response: The proposed addition of the term "Flexible Space" would conflict with other sections of the chapter, which require specificity in the master plan. Specifically, the current MXPD code requires that a master plan include (in brief): a description of proposed uses; number of jobs anticipated; hours of operation of the uses; residential density; parking; and transportation impact analysis. The proposed amendments of Exhibit 1 did not provide any assurances within the definition that "flexible space" would provide jobs, or a particular ratio of jobs. The zoning code includes a use similar to the proposed flexible space, which is "Residence accessory to and connected to a business". This use is allowed outright in four commercial zones.

Exhibit 2 - Lugliani Investments

The following Staff responses will refer to the organized headers within Exhibit 2, namely Comment #1, Comment #2, Comment #3, Comment #5.

Comment 1 (page 1)

This section supports the proposed changes to the use table at CMC§18.07.030-table 1.

Staff response: There are a variety of residential uses already allowed outright in the following commercial zones: Neighborhood Commercial (NC), Downtown Commercial (DC), Community

Commercial (CC), and Mixed Use (MX) zones. The proposed Staff amendment will allow residential uses in the Regional Commercial (RC) zone, if part of a MXP, which is currently prohibited. The currently allowed residential uses within commercial zones do not require a minimum or maximum residential density. Also, the allowed residential uses do not stipulate a mix of other commercial uses. Exhibit 4 provides a comparison chart of the allowed residential uses in the city's commercial zones and whether a mix of uses is required.

Comment 2 (page 2)

This section states that the proposed code creates limits to residential density. The letter also states that these limits are not found in other mixed use codes.

Staff Response: The proposed amendments to the MXPD code <u>did not change</u> or add any limits to the percentage of residential and commercial uses. The standards that are referred to in the letter were already in the code, and Staff did not proposed to amend them. Exhibit 4 provides a comparison of zoning that allows for both commercial and residential uses in the City.

Staff is concerned with uncontrolled residential growth, in areas designated for jobs without offsetting the jobs lands in other areas of the City. Staff believes that the standards set under this existing code section are reasonable and achievable to a mixed use project.

Comment 3 (page 3)

This section states that there is a conflict in the code if a mixed-use building includes ground floor residential.

Staff Response: Staff does not agree that there is a conflict. The request is to not include the area of residential use in mixed use buildings if the residential use is on the ground floor. Staff disagrees that any area should not be included in the calculation.

Comment 4 (page 3)

This section states that the code should include provisions for shared parking.

Staff Response: Shared parking is already provided for under CMC§18.11.070(F). Also within the MXPD code at CMC§18.22.100(A) it provides a reference to the parking reduction standards of Chapter 18.11 Parking.

Comment 5 (pages 4 and 5)

This section proposes to add a new use to the zoning code---"Live/Work".

Staff Response: Staff disagrees. A live/work unit can be accommodated through a mixed use building and does not need to be considered solely as a commercial use. The proposal is clearly to build residential unit rather than commercial, and require a separate permitting process to convert the units to commercial at a later date. There is a development on Prune Hill that includes Live/work units, which was approved through a different code. The City later modified the commercial code that allowed residential uses as a conditional use in 2006. These live/work units were required to include ADA access for potential customers, and a main floor plan that is would be suited to an office-type use, all in an effort to provide a level of assurance to the City that there would be commercial uses within the development. However, none of these building are occupied with any use other than residential at this time.